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Expand Your Business

Become a Reporting Agent and Hop Aboard Employment Tax e-file



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What is a Reporting Agent?

A Reporting Agent is an accounting service, franchiser, bank or other person who assist employers in making required tax deposits and tax information filings (Forms 940/941) to the federal, state and local governments.





Why Become a Reporting Agent?

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6 million small businesses employ half of all U.S. workers

29 million 94x series filed annually

Volume second only to the 1040 series

Form 940: Annual Federal Unemployment Tax Return

Form 941: Employer's Quarterly Federal Tax Return





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Why Become a Reporting Agent?

Easier to e-file 94x series

Can make federal tax deposits and other federal tax payments

Can receive duplicates of official notices and correspondence

Can access e-Services for Reporting Agents





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How to Get Started

Review:

IRC Sec 6011, 6061, 6302 (information returns, signing requirements, tax collection)

Rev Proc 2007-38

Form 8655, Reporting Agent Authorization

Publication 1474, Technical Guide for RA Authorization and Federal Tax Depositors





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Revenue Procedure 2007-38

All Reporting Agents must adhere to its guidelines

Details requirements for completing and submitting Form 8655

Defines scope of authority granted via Form 8655





Form 8655, Reporting Agent Authorization

Each client must sign a Form 8655

Individual signing must have authority to
bind the company:

Sole proprietor or single member LLC
– owner's signature

Corporation – duly authorized official

Power of Attorney – attach Form 2848
to 8655

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Form 8655, Reporting Agent Authorization

Refer to Publication 1474

Allow 10 days for IRS to process

Include Reporting Agent's List

May use an IRS approved substitute Form 8655

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Things to Do

Get client signatures on Form 8655;
submit for processing

Update your e-file application; add
Reporting Agent designation

Evaluate 94X e-file software

Enroll in EFTPS





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EFTPS

Rev Proc 97-33/ Rev Proc 98-32 – General Info

- Register at EFTPS.gov
- Submit deposits online or by phone

Rev Proc 98-32 – Batch Filers

- Free software available
- Up to 5,000 deposits per transmission





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e-Services for Reporting Agents

Web-based customer service

Use in lieu of phone calls or paper correspondence

Available 24/7

Services Available

- Transcript Delivery System (TDS)
- Electronic Account Resolution (EAR)





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Summary

Reporting Agent benefits:

Sign returns using signature PIN

Make client payments via EFTPS

Receive copies of client notices and correspondence

Access e-Services

